

### **Remarks**

In the non-final Office Action mailed December 19, 2007:

1. Claims 1-43 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,903,878 (Talati).

#### **I Interview**

Applicants would like to thank Examiner Nguyen for the Interview she conducted January 16, 2008 with Applicants' Attorney.

#### **II Talati (U.S. Patent No. 5,903,878)**

Applicants maintain the traversals of the rejections based on Talati described in their replies to the previous office actions. To the extent that arguments from Applicant's previous replies are not specifically recited in this Reply, such arguments should be deemed incorporated herein and in no way abandoned.

#### **III Official Notice**

Rejections of several claims of the present application were based on Official Notice. Applicants traverse these rejections.

Applicants assert that PayPal, Inc. (the Assignee of this application) was the first entity to implement any invention described in the application, and that any use of the subject matter of the present claims originated with PayPal, Inc. Therefore, at the time the present application was filed, it was *not* well known in the art to verify a financial instrument in a manner described in the claims of this application.

#### **IV Selected Claims**

##### **A. Claims 1-12, 29, 42-43**

(1) Claims 1 and 29 specify that the transactions are initiated by *the system*, not the customer as in Talati.

**B. Claims 13-24**

Claim 13 was amended to make it clearer that it is the system that initiates the transactions, not the user.

**C. Claims 25-26**

Claim 25 specifies that *the system*, not a user, initiates the credit card transactions.

**D. Claims 27-28**

Claim 27 specifies that *the system*, not the user, initiates the bank account transactions.

**E. Claims 30-38**

Claim 30 specifies that *the system*, not the user, initiates the transactions.

**F. Claims 39-41**

Claim 39 requires *the apparatus*, not the customer, to initiate the transactions.

**CONCLUSION**

No new matter has been added with the preceding amendments. It is submitted that the application is in suitable condition for allowance. Such action is respectfully requested. If prosecution of this application may be facilitated through a telephone interview, the Examiner is invited to contact Applicant's attorney identified below.

Respectfully submitted,

Date: January 18, 2008

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